

# WINNEBAGO LANDFILL COMPANY

8403 Lindenwood Road • Rockford, IL 61109 • Office: 815.874.4806 • Fax: 815.874.4630

March 5, 2012

Bernie Schorle  
Remedial Project Manager  
United States Environmental Protection Agency  
Region V  
77 West Jackson Blvd.  
Chicago, Illinois 60604-3590



Re: Pagel Landfill Facility  
Revised Release of Financial Assurance Request

Dear Bernie:

In response to verbal comments received from the United States Environmental Protection Agency (USEPA) Winnebago Reclamation Service, Inc. (WRS) is hereby withdrawing the January 30<sup>th</sup> request to release the Letter of Credit issued by Chase Bank (formerly Bank One), Milwaukee, Wisconsin. From what we understand, it is the opinion of the USEPA that any changes to the financial security referenced in Section XIV.(44) of the Consent Decree would require an amendment to the Consent Decree. Accordingly, at this time it is WRS's desire to avoid any unnecessary changes to the structure of the financial security specified in the Consent Decree which would delay releasing the financial security in excess of the amount required to complete the remaining work required under the amended Record of Decision (ROD). Therefore, WRS proposes to keep the existing the financial security mechanisms in place, and simply rebalance the amounts under each existing financial instrument to reflect the current estimated cost to complete the work required under the ROD.

As specified in Section XIV(44) of the Consent Decree, WRS is currently providing financial assurance with a Letter of Credit issued by Chase Bank (formerly Bank One), Milwaukee, Wisconsin. In addition, WRS also maintains an Irrevocable Trust with PNC Bank (formerly National City, formerly First of America Trust Company). As of March 7<sup>th</sup>, 2012 the amount available under the Letter of Credit is \$3,850,000. There have been no reductions in the Letter of Credit since issuance. As of February 29<sup>th</sup>, 2012 the PNC Trust had funds available of \$1,663,863.99. The following paragraphs detail the financial instruments that are currently being used as financial security to assure completion of the remaining work:

Irrevocable Trust # 75-75-078-8365468      **Current Balance:**      **\$1,663,863.99**  
PNC Bank  
One North Franklin  
Chicago, IL 60606

Letter of Credit # 634131      **Current Amount:**      **\$3,850,000.00**  
JP Morgan Chase Bank, N.A.  
300 South Riverside Plaza  
Chicago, Illinois 60606.

**Total:**      **\$5,513,863.99**

The current updated cost estimate, which has been determined to be \$1,402,300, is the approved amount estimated to cover any future work required under the ROD for the site. Winnebago Reclamation Service, Inc. currently has financial security in place that is substantially in excess of the amount required to complete the remaining portions of work required under the ROD. As such, WRS is requesting that the USEPA release the amount of financial security that is in excess of the current cost estimate. Upon USEPA's concurrence, WRS proposes to rebalance the amount of financial security provided by the existing financial instruments to the following amounts.

Irrevocable Trust # 75-75-078-8365468      **Current Balance:**      **\$1,666,863.99**  
PNC Bank  
One North Franklin  
Chicago, IL 60606

Letter of Credit # 634131      **Current Amount:**      **\$5,000.00**  
JP Morgan Chase Bank, N.A.  
300 South Riverside Plaza  
Chicago, Illinois 60606.

**Total:**      **\$1,668,863.99**

WRS has been diligent in maintaining financial assurance in excess of the amount required to complete the remaining portions of the work required by the ROD, and respectfully requests relief from the unnecessary and substantial financial burden that maintaining excess financial assurance has upon our business. In consideration of the unnecessary adverse economic impact that this has upon our business, we request that the USEPA prioritize Winnebago Reclamation Service's request for release of financial assurance.

If you have any questions or would like additional information regarding this matter, please feel free to contact me at 815-963-7528.

Sincerely,



Robert Otto  
Controller  
Rock River Environmental Services

**AMTrust Account Report Request**  
**(Screen 3200)**

03/06/2012 at 11:16:31 AM

Is this account part of a Managed Account Relationship?

☐ Yes ☒ No

Bk	Reg	Ofc	Lev	Account	Rept#	Month or # Copies	Adm or Packet	Sub Class	Acct from Date	Acct thru Date
75	75	078	5	8365468	300	01	950		02/01/2012	02/29/2012

**Comments**

please provide statement for the month of Feb 2012 for the above acct. Thank you, Cathy, 312-338-5206

Authorized By: Catherine Jervler/PNCAdvisors/CHI/PNC  
Phone 312-338-5206  
Mail Stop D1-Y806-25-2

**Processing Center(s):**

Primary WRPC Records Management Processing

1st Level Secondary

2nd Level Secondary

3rd Level Secondary

Form - AMTrust Account Report Request

Mar. 7. 2012 11:52AM

PNC BANK 412-768-5873

No. 5157 P. 3

ACCOUNT STATEMENT

FEB 01, 2012 THROUGH FEB 29, 2012

ACCOUNT 75-75-078-8365468

PNC BANK NA TRUSTEE FOR PAGEL'S  
PIT LANDFILL REMEDIATION TRUST  
FUND

ACCOUNT ADMINISTRATOR: REETU BEPCOFF

1312; 338-2243

PORTFOLIO MANAGER: JOHN STEWART III

PNC BANK NA TRUSTEE FOR PAGEL'S  
PIT LANDFILL REMEDIATION TRUST  
FUND

## CUSTOMER INFORMATION PAGE

ACCOUNT 75-75-078-8365468

PAGEL'S PIT LANDFILL

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Mar. 7. 2012 11:52AM

PNC BANK 412-768-5873

No. 5157 P. 4



S U M M A R Y O F I N V E S T M E N T S

AS OF 02/29/12

ACCOUNT  
75-75-078-8365468

PAGEL'S PIT LANDFILL

PAGE 1

	CARRYING VALUE	TAX COST	MARKET VALUE	% OF MARKET	ESTIMATED INCOME	YIELD AT MARKET
PRINCIPAL CASH						
CASH EQUIVALENTS	1,488,537.71	1,488,537.71	1,488,537.71	100.000	744.27	.350
TOTAL PRINCIPAL ASSETS	1,488,537.71	1,488,537.71	1,488,537.71	100.000	744.27	.350
CASH EQUIVALENTS	175,326.28	175,326.28	175,326.28	100.000	87.66	.050
ACCOUNT TOTAL	1,663,863.99	1,663,863.99	1,663,863.99		831.93	.050

Mar. 7. 2012 11:52AM

PNC BANK 412-768-5873

No. 5157 P. 5

STATEMENT OF INVESTMENTS

AS OF 02/29/12

ACCOUNT  
73-75-C78-8365468

PAGEL'S PIT LANDFILL

PAGE 2

PAR VALUE /SHARES	INVESTMENT DESCRIPTION	CARRYING VALUE	TAX COST	MARKET VALUE	% OF MARKET	ESTIMATED INCOME	YIELD AT MARKET	MARKET UNIT PRICE
CASH EQUIVALENTS								
175,326.280	PNC MONEY MARKET FUND FUND #417 (INCOME INVESTMENT)	175,326.28	175,326.28	175,326.28	10.537	87.66	.350	1.000
1,488,537.710	PNC MONEY MARKET FUND FUND #417	1,488,537.71	1,488,537.71	1,488,537.71	89.463	744.27	.050	1.000
TOTAL CASH EQUIVALENTS		1,663,863.99	1,663,863.99	1,663,863.99	100.000	831.93	.050	
TOTAL INVESTMENTS		1,663,863.99	1,663,863.99	1,663,863.99	100.000	831.93	.350	

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PNC BANK 412-768-5873

No. 5157 P. 6

Mar. 7. 2012 11:53AM PNC BANK 412-768-5873

No. 5157 P. 7

ACCOUNT SUMMARY

02/01/12 THROUGH 02/29/12

ACCOUNT  
75-75-078-8365468

PAGEL'S PET LANDFILL

PAGE 3

	INCOME CASH	INCOME CARRYING VALUE	PRINCIPAL CASH	PRINCIPAL CARRYING VALUE
YOUR TRUST ACCOUNT BALANCES ON 02/01/12 WERE	0.00	175,720.37	0.00	1,328,537.71
DURING THE PERIOD INCOME WAS RECEIVED FROM				
NO DIVIDENDS THIS PERIOD				
NO NON-TAXABLE INTEREST INCOME THIS PERIOD				
NO TAXABLE INTEREST INCOME THIS PERIOD				
NO RENTAL INCOME THIS PERIOD				
THUS TOTAL INCOME RECEIVED EQUATED				
CONTRIBUTIONS RECEIVED			470,000.00	
NO SALES THIS PERIOD				
NO INCOME OR PRINCIPAL TRANSFERS THIS PERIOD				
NO PURCHASES THIS PERIOD				
EXPENSES INCURRED DURING THIS PERIOD WERE				
FEES CHARGED	-394.09			
NO OTHER EXPENSES THIS PERIOD				
FOR TOTAL EXPENSES OF	-394.09			
NO PAYMENTS WERE MADE TO OR FOR YOU THIS PERIOD				
THE NET AUTOMATIC CASH INVESTMENT WAS	394.09	-394.09	-470,000.00	470,000.00
YOUR CURRENT BALANCES AS OF 02/29/12 ARE	0.00	175,326.28	0.00	1,488,537.71



## STATEMENT OF TRANSACTIONS

02/01/12 THROUGH 02/29/12

ACCOUNT  
75-75-078-8365468

PAGEL'S PIT LANDFILL

PAGE 4

DATE	TRANSACTION DESCRIPTION	INCOME CASH	PRINCIPAL CASH	CARRYING VALUE
	BEGINNING BALANCES AS OF 02/01/12	0.00	0.00	1,194,258.68
02/17/12	PNC BANK PRINCIPAL COMPENSATION THRU 01/31/12	-394.09		
02/29/12	ADDITION TO ACCOUNT		470,000.00	
02/29/12	PNC MONEY MARKET FUND FUND #417 SALE OF ACI ASSET	394.09		-394.09
02/29/12	PNC MONEY MARKET FUND FUND #417 PURCHASE OF ACI ASSET		-470,000.00	470,000.00
	NET TRANSACTIONS POSTED	0.00	0.00	469,605.91
	ENDING BALANCES AS OF 02/29/12	0.00	0.00	1,663,863.99

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PNC BANK 412-768-5873

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